

The state of carbon accounting in Energy and Utilities



Decarbonization challenges and solutions

Industry Spotlight

Energy and Utilities



Sustainability has become an imperative in your sector

With the energy industry accounting for a substantial portion of global emissions, addressing these challenges is both an ethical and strategic necessity. Sweep helps you navigate the complexities of sustainability, offering tailored solutions to help you craft and implement effective climate strategies and significantly reduce your environmental footprint.

Sustainability in Action

In September 2024, Sweep and Capgemini released a research report examining how hundreds of organizations across four major economies are leveraging data for sustainable transformation. According to the Sweep x Capgemini survey:

DATA DILEMMA

77%

of energy providers are still using spreadsheets to manage their emissions

45%

of energy providers say that their data is not comprehensive enough to inform sustainability strategies

PREPAREDNESS FOR CLIMATE LEGISLATION

49%

of energy providers worry about costs linked to supply chain disruptions from environmental impacts.

43%

(of those who haven't) cite the 'lack of a whole business approach' as the main reason for not doing so

THE TRUE COST OF INACTION

49%

Almost half of utility providers worry about supply chain disruption costs from environmental impacts.

39%

are worried about decreased capital from investors due to inaction.

DIGITAL FUTURE

83%

of retailers recognize the role of digitalization in sustainability strategies

The supply chain challenge in energy and utilities

Some of the key challenges of decarbonizing your supply chain

1

A lack of carbon knowledge

Many retail suppliers don't understand what a carbon footprint is or how to begin measuring their emissions. Educating them in this regard is therefore crucial.

2

The sophistication of the supply chain

Many retail supply chains are formed of multiple tiers of suppliers – which makes it difficult to get a good depth of measurement.

3

A lack of data accuracy

In upstream supply chains, most emission estimates focus on the entire organization. They should be translated into product-level emissions for easy comparison, but no standard methodology exists yet.

4

Limited trust among value chain partners

Some suppliers are wary of sharing detailed carbon data as they fear it could lead to the breakdown of their cost structures.



The disclosure challenge

There are a number of voluntary and mandatory climate disclosures affecting retailers. Here are the most important ones:

Corporate Sustainability Reporting Directive (CSRD)

- **Scope**
Large companies and all listed companies, including SMEs.
- **Requirements**
Report on double materiality (impact on performance and the environment), detailed disclosures on climate change, social rights, governance, and more.
- **Standards**
European Sustainability Reporting Standards (ESRS).
- **Timeline**
2024: First reports for large public-interest entities.
2025: First reports for other large companies.
2026: First reports for listed SMEs, small credit institutions, and captive insurance.

[Find out more](#)

International Sustainability Standards Board (ISSB)

- **Scope**
Recommended for all companies, increasingly mandated by governments and regulators.
- **Requirements**
Disclose governance, strategy, risk management, and metrics & targets related to sustainability risks and opportunities.
- **Standards**
ISSB framework.
- **Timeline**
Varies by jurisdiction; many companies already voluntarily adopting.

[Find out more](#)

UK Streamlined Energy and Carbon Reporting (SECR)

- **Scope**
Large UK companies and LLPs.
- **Requirements**
Report on energy use, GHG emissions, and energy efficiency actions in directors' reports.
- **Standards**
SECR guidelines.
- **Timeline**
Annual reporting as part of company reports.

[Find out more](#)

SSE got ready for ESG auditing and CSRD compliance with Sweep.



COMPANY

A multinational energy business

SIZE

12,000+ employees

INDUSTRY

Energy

HEADQUARTERS

Perth, Scotland, UK

WEBSITE

[sse.com](https://www.sse.com)

- SSE was dealing with a big data problem: lots of disparate datasets in various spreadsheets with multiple versions across different business units
- The company provided data annually to its auditors, who found it difficult to sift through.
- Sweep enabled SSE to efficiently collect climate and nature data from its value chain and present it as a single source of truth, importantly, at regular intervals throughout the financial year
- Through Sweep, SSE could gain audit confidence and understand its data at a granular level, enabling the team to take decisive action to meet its sustainability goals
- The Sweep platform also enables SSE to collate data more frequently, instead of being limited to annual collections – meaning SSE can track and act more quickly on its data

‘With Sweep, we now have all of our climate and nature data in a structured, easy-to-read format that we know is a single source of truth. We no longer have discussions around which version is correct – we know that the data in Sweep is accurate.

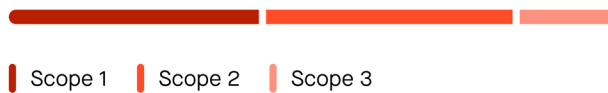


Rhys Williams
Sustainability Manager
SSE

A retailer's decarbonization journey with Sweep

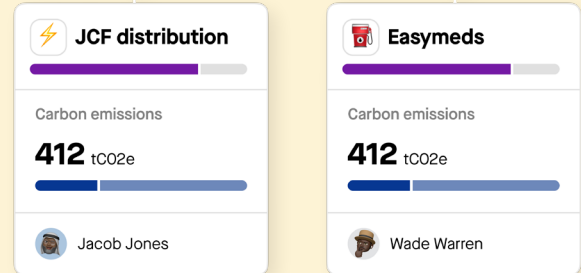
ESTIMATED EMISSIONS

458t ↗ +11%



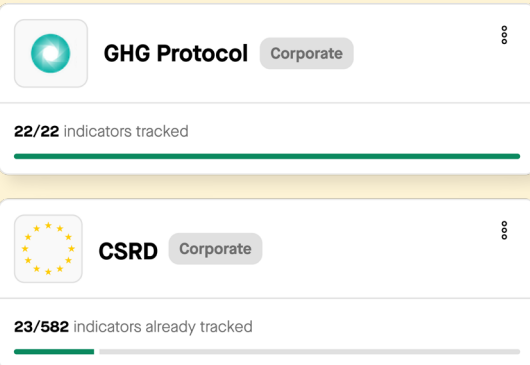
Step 1 Track your carbon and ESG data

Start by managing your direct emissions. Sweep leverages AI to streamline and automate Scope 1 and 2 emissions data collection, reducing manual workload and ensuring precise tracking.



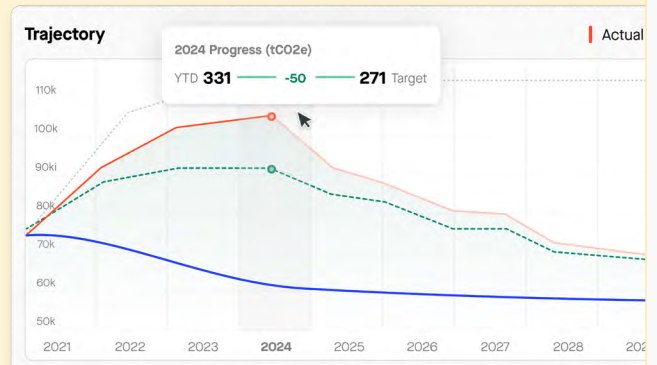
Step 2 Map your Scope 3 emissions

Moving beyond direct emissions, it's crucial to gain insights into your Scope 3 carbon footprint. Sweep enables you to model your entire value chain using benchmark data and engage suppliers through customizable climate surveys.



Step 3 Ensure compliance

Navigating the complexities of ESG reporting is vital. Sweep helps you monitor and report against sustainability data, consolidating all extra-financial data in one place to meet the latest ESG reporting requirements seamlessly.



Step 4 Take action on your carbon footprint

With comprehensive data at your fingertips, it's time to take meaningful action. Sweep empowers you to implement data-driven strategies to achieve your sustainability goals and celebrate your success with customers, suppliers, and stakeholders.

The Sweep advantage for energy and utilities providers

Join the journey 

By guiding you through each step of the decarbonization journey, Sweep provides a comprehensive and tailored approach to sustainability.

From automating emissions data collection to engaging your supply chain and taking action, Sweep ensures that your business not only meets regulatory requirements but also sets a new standard for environmental responsibility.

Trusted by

